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DEPARTMENT OF INDUSTRIES, MINES AND GEOLOGY

RESOLUTION

16th May, 2016

JHARKHAND INDUSTRIAL AREA DEVELOPMENT AUTHORITY

REGULATIONS 2016

No.1637/ Ranchi/ 02/ m0fo0@i 8/ld k &02@2007-In exercise of powers conferred by section 15 of the Bihar Industrial Area Development Authority Act 1974 as adopted by the Government of Jharkhand vide Notification No. 339 dated 02.03.2001 issued by the Department of Science Technology, Information Technology and Industries, Ranchi, Jharkhand¹ Industrial Area Development Authority, JIADA, with the previous approval of the State government of Jharkhand, hereby makes the following regulations to carry out the purposes of the said Act.

CHAPTER – I**GENERAL****1.1 SHORT TITLE, OBJECTIVE, EXTENT AND COMMENCEMENT**

- i. This regulation shall be called the Jharkhand Industrial Area Development Authority Regulations, 2016
- ii. The main objective of this regulation is to make provision for planned Development of Industrial Area and promotion of industries and matters appurtenant thereto including judicious allotment of land under the command area of Jharkhand Industrial Area Development Authority for industrial purposes.
- iii. These Regulations shall extend to the whole command area of Jharkhand Industrial Area Development Authority, wherever exists.
- iv. These Regulations shall come into force on such date as the State Government may specify by notification in the official gazette and shall supersede all earlier Government/ Board Resolutions, orders or Regulations, if any. However, actions/deeds under earlier orders/circulars/guidelines/resolutions of Government/ Board shall be valid.

1.2 DEFINITIONS- In these regulations unless the context otherwise requires:

- (a) “**Act**” means Bihar Industrial Area Development Authority Act, 1974 and as amended vide Bihar Act 27 of 1992 and as adopted by the Government of Jharkhand vide notification no. 339 dated 02.03.2001 issued by the Secretary Department of Science Technology, Information Technology and Industries as Jharkhand Industrial Area Development Authority Act, 2001 and as may be amended from time to time.
- (b) “**Applicant**” means a person or entity who intends to set up industry in the command area of Jharkhand Industrial Area Development Authority who may be :
 - i. Individual
 - ii. Proprietorship firm
 - iii. Registered partnership firm
 - iv. Private Limited Company
 - v. Limited liability registered partnership firm
 - vi. Public Limited Company
 - vii. Government Company
 - viii. State/ Central Public Sector Undertaking
 - ix. Hindu Undivided Family (HUF)
 - x. Consortium of above applicants
- (c) “**Authority**” means Jharkhand Industrial Area Development Authority (JIADA) and includes its Board of Directors.
- (d) “**Board of Directors**” means the Authority constituted under section 3 of the Act.
- (e) “**Building byelaws**” means a standard made by appropriate authority for approval of plan for construction, completion/ occupation of building for industrial purposes or otherwise.
- (f) “**Chairman**” means Chairperson of the Authority or of the Board of Directors.
- (g) “**Industrial Policy**” means the industrial policy or policies declared by the Government of Jharkhand or by the Government of India, as the case may be, for promotion of industrial, commercial and other related activities.
- (h) “**LAC**” means Land Allotment Committee constituted by the Authority.

- (i) **“Managing Director”** means Managing Director of the Authority constituted under section 3 of the Act who shall be Chief Executive Officer of the Authority.
- (j) **“Meeting”** means meeting of the Authority or of the Board of Directors.
- (k) **“Member”** means a member constituting the Authority or Director on the Board of Directors
- (l) **“PCC”** means Project Clearance Committee constituted by the Authority
- (m) **“PWD Code”** means PWD code of the Government of Jharkhand.
- (n) **“Rules”** means Jharkhand Industrial Area Development Authority Rules, 2001 and as may be amended from time to time.
- (o) **“Secretary”** means Secretary of the Authority or the Board of Directors
- (p) **“Section”** means a section of the Act.
- (q) **“State government”** means Government of Jharkhand.
- (r) **“Chief Executive Officer”** means Chief Executive Officer of the concerned Regional Office of the Authority.

CHAPTER – II

2. PROCESS OF CONDUCT OF BUSINESS OF THE AUTHORITY

- i. The members of the Authority/ Board of Directors shall meet atleast once in every three months to transact its business. However, if necessary, the meeting may be held as and when required.
- ii. The Secretary of the Authority shall call meeting with the approval of the Chairman or the Managing Director. A meeting may also be called on written request by any member of the Authority or the Board of Directors.
- iii. The meeting of the Authority shall ordinarily be held in the office of the Authority but the Chairman may direct the meeting to be held at any other place.
- iv. A notice in writing specifying the date, time and place as well as agenda of meeting shall be served on each member at least 7 days prior to the meeting in writing by registered post or through special messenger or through electronic mail by taking acknowledgement. In special circumstances, the meeting may be convened at a shorter notice to transact business of an urgent nature and in such cases, the notice shall be sent through special messenger or through electronic mail.
- v. The adjourned meeting may be held at such place, date and time as may be decided by the Chairman and no quorum will be necessary for an adjourned meeting.
- vi. Three members entitled to vote at a meeting shall constitute the quorum without which no business could be transacted at any such meeting.
- vii. The Chairman, or, in his absence, any member elected by the members present at the meeting shall preside over the meeting.
- viii. Decisions in the meetings of the Authority/ Board of Directors will be as far as possible taken on the basis of unanimity, but in case of difference of opinion amongst the members, decision shall be taken on the basis of majority of the members. In the event of equality of votes, the Chairman shall have casting or second vote.
- ix. Minutes of the proceeding of all meeting shall be recorded in minute's book to be maintained for the purpose and shall be signed by the Chairman of the meeting and the minutes shall be confirmed in the subsequent meeting.

- x. The Authority/Board of Directors may, from time to time, for the purposes of carrying out its duties and responsibilities under the Act or Rules made there under, constitute a Committee or Committees consisting of its own members and if need be the expert from outside and refer to them such matters as the Authority/Board of Directors consider necessary. Acceptance and implementations of the recommendations of the Committees or Sub Committees shall be subject to approval by the Authority/ Board of Directors.
- xi. The powers and functions of such Committee or Committees shall be within the ambit of the terms referred to it by the Authority/ Board of Directors.

CHAPTER – III

3. POWERS AND DUTIES OF CHAIRMAN AND MANAGING DIRECTOR

- i. The Chairman shall be the head of the Authority/ Board of Directors and
 - (a) Shall preside over the meetings of the Board of Directors and regulate its deliberations.
 - (b) Shall do all acts and things for fulfilment of objectives for which Jharkhand Industrial Area Development Authority was constituted
- ii. Subject to the general control and supervision over the affairs of the Authority, the Managing Director shall:
 - (a) Be the Chief Executive Officer of the Authority and shall be the disciplinary authority in respect of the persons employed in Jharkhand Industrial Area Development Authority and shall exercise all such powers and authority with regard to establishment matters like appointment, promotion, disciplinary action, leave and benefit to the employees of the Authority
 - (b) Shall receive and spend, subject to budgetary provisions, money on behalf of Jharkhand Industrial Area Development Authority and ensure proper maintenance of accounts, vouchers and receipts thereof
 - (c) Perform all duties and responsibilities and exercise all powers vested under the Act and Rules made there under and also that may be specifically entrusted by the Authority/Board of Directors from time to time

CHAPTER – IV

4. DUTIES AND RESPONSIBILITIES OF THE SECRETARY

There shall be a Secretary of the Authority appointed by State Government whose duties and responsibilities shall be

- i. Preparation of agenda for the meetings of the Authority/ Board of Directors
- ii. Preparing and sending notice to all the members of Authority/ Board of Directors
- iii. Attending meeting of the Authority/ Board of Directors
- iv. Preparation of the minutes of the meeting of the Authority/ Board of Directors
- v. Complying with the directions of the Authority/Board of Directors, follow up for ensuring implementation of the decisions and instructions of the Authority/Board of Directors/Managing Director.
- vi. Organizing and controlling the office staff, field staff and all other personnel under control of the Authority.

- vii. Compiling and filing necessary report and returns to the State government and other statutory authorities.
- viii. To make all correspondences on behalf of Jharkhand Industrial Area Development Authority under authorization of the Managing Director and
- ix. Discharge all other functions assigned from time to time by the Managing Director.

CHAPTER – V

5. TREATMENT OF FUNDS

- i. All money received by the Authority by way of fees, fines, levy charges, grants, loans etc. shall be credited to the Authority's account/fund as per prevailing accounting norms and all expenditure incurred by the Authority shall be paid out of the respective fund
- ii. The Managing Director shall operate the funds of the Authority and no money shall be paid from the funds of the Authority except on an order to pay is passed by the Managing Director
- iii. Provided that the Managing Director may delegate this power to any other officer of the Authority, who shall exercise such powers under general guidance and supervision of the Managing Director and subject to such financial limit and restriction that may be imposed by the Managing Director
- iv. The Authority shall keep proper books of accounts with respect to:-
 - (a) All receipts of money and expenditure by the Authority and the details in respect of which the receipt and expenditures have taken place
 - (b) All sales and goods of the Authority, and,
 - (c) All assets and liabilities of the Authority
- v. The books of accounts of the Authority shall be open for inspection by the members of the Authority/ Board of Directors during office hours
- vi. The books of accounts of the Authority shall be kept in the office of the Authority in safe custody of the person entrusted with the responsibility for the purpose
- vii. Within four months of the close of each financial year, profit and loss account and balance sheet prepared for the concerned at the end of the financial year shall be laid by the Managing Director before the Authority/ Board of Directors
- viii. Every balance sheet and profit and loss account shall be approved by the Authority/ Board of Directors and after approval of the same, a copy each of balance sheet and profit and loss account shall be sent to the State Government together with an annual report about the activities and affairs of the Authority.

CHAPTER – VI**6. LAND ALLOTMENT PROCEDURE**

Jharkhand Industrial Area Development Authority is committed for planned development of industrial area and promotion of industries and matters appurtenant thereto under its command area. After acquisition of land either through the route of land acquisition laws or otherwise, the Authority shall determine the rate for allotment to the intending applicants keeping in view the land cost, expenditure incurred and expected expenditure to be incurred towards contour survey and plan layout, levelling of land and erection of boundary wall, construction of roads, sewerage and drainage, installation of street lighting, administrative cost and interest on capital investment, at the prevalent rate of the year in which the land vested in Jharkhand Industrial Area Development Authority. The rate for allotment shall be revisable upward @5 % per annum or Board may enhance the rate if it thinks fit subject to demand for concerned plot/ area.

For allotment of land, the following procedure shall be followed by the Authority and shall form part of this Regulation:

- i. The allotment of land shall be only for the purposes of setting up industry, as per the actual requirement, and subject to the provisions of Jharkhand Industrial Area Development Authority Act-2001, as amended from time to time, Jharkhand Industrial Area Development Authority Rule, 2001 and the Industrial Policy, as applicable on the relevant date.
- ii. The allotment of land/plot shall be made subject to availability and approval of project by the Project Clearance Committee (PCC), Allotment of land/industrial shed within the industrial area shall be as per the following procedure :-
 - (a) Availability of land shall be notified on the notice board of Jharkhand Industrial Area Development Authority, two leading newspapers having wider circulation and website of the Authority or website of the Single Window System
 - (b) The application for land allotment/shed can be done online only in the website of the authority or Single Window System website.
 - (c) If more than one applicant makes application for a particular plot, Jharkhand Industrial Area Development Authority shall take steps for allotment by way of closed-bidding process and highest bidder shall be allotted subject to fulfilment of other conditions. In case of tie after closed-bid auction process, the successful applicant will be decided through lottery.
 - (d) Jharkhand Industrial Area Development Authority shall also encourage mega investors in IT/ITES for setting up IT industries, IT Park, IT SEZ and other Sector Specific park in private, Joint Venture or Under PPP mode. IT industries and bio-technology industries/ units may be accorded priority in allotment of land. In case, land allotted to mega IT industries deferred payment of land premium may be allowed up to five equal installments in a spread over period of three years. For deferred payment Jharkhand Industrial Area Development Authority shall Charge interest on balance amount @ 15% p.a. subject to revision except Clause 15(a) of this Regulation. For such projects FAR relaxation including special incentives for IT/Bio Technology industry etc. Shall be applicable as per extent industrial policy of the State.
 - (e) Jharkhand Industrial Area Development Authority shall also encourage development of other mega projects in focus sectors which includes electronics hardware (electronics systems, design and manufacturing), semiconductor and industries having nanotechnology applications, food and feed processing and such other projects as may be decided by the State government

- (f) The Chief Executive Officer shall complete land allotment process within 75 days from the date of publication of notification of vacant plot
 - (g) The Project Clearance Committee meeting shall be held on 15th of every month or next working day
- iii. All land available with Jharkhand Industrial Area Development Authority shall be treated at par for the purpose of allotment. No discrimination shall be made amongst available land with Jharkhand Industrial Area Development Authority on the basis of source of availability, except for such cases which are covered under any of the paragraphs of the Regulation and of the clauses of Industrial Policy

7. RESERVATION OF PLOT / LAND

- i. The reservation of plot shall be subject to recommendation of the Project Clearance Committee and approval by the Managing Director Jharkhand Industrial Area Development Authority
- ii. At least 40% of the land in Authority will be reserved for micro and other small enterprises in its command area
- iii. 10% of the available allotable land in any new Industrial Area (land acquired during the currency of the instant industrial policy) will be earmarked for allotment to land losers for a period of three years, measuring one acre or more is acquired by the Authority and after three years, if no demand for plots from land losers, such plots will be de-notified into general category.
- iv. The land will be offered to such land losers as mentioned above, at prevalent rate for setting up industry, subject to availability of land and their fulfilment of other criteria for allotment.

8. APPLICATION FOR ALLOTMENT OF LAND AND SUBMISSION OF REQUISITES THEREWITH

i. Eligibility of Applicant

The applicant should be competent to contract who may be:-

- (a) Individual
 - (b) Proprietorship firm
 - (c) Registered partnership firm
 - (d) Private Limited Company.
 - (e) Limited liability registered partnership firm
 - (f) Public Limited company
 - (g) Government company
 - (h) State/ Central Public Sector undertaking
 - (i) Hindu Undivided Family (HUF)
 - (j) Consortium of above applicants
- ii. Consortium of Applicant
- (a) Member of the consortium shall have to specify one lead member who shall be authorized to correspond with the Authority
 - (b) The lead member of the consortium shall necessarily be a firm/company registered in India with the appropriate statutory authority
 - (c) The members shall submit a notarized memorandum of understanding conveying their intent to jointly make application for allotment of land and, in case the plot is allotted to them, they shall form a Special Purpose Vehicle (SPV) to carry out all the duties and responsibilities of the allottee.

- (d) The MoU shall clearly define the role and responsibilities of each member in the consortium, particularly, with regard to arranging debt and equity for the project and its implementation. The MoU shall state that all members shall be jointly and severally responsible for the successful implementation of the project
- (e) Special Purpose Vehicle (SPV) shall either be a partnership firm registered with the Registrar of Firms or Company registered under the Companies Act, 2013
- (f) Special Purpose Vehicle (SPV) shall be formed consisting of lead member and relevant member with their shareholding as on the date of application, before execution of lease deed
- (g) Lease deed shall be executed in favor of Special Purpose Vehicle (SPV)
- (h) The lead member shall maintain its original shareholding in the SPV till the functional certificate is obtained from the competent authority.

9. CHANGE IN THE NAME OF THE APPLICANT

Under no circumstances change in the name of the intending applicant shall be allowed.

10. ISSUE OF PUBLIC NOTICE, CORRIGENDUM AND AVAILABILITY OF APPLICATION FORMS

- i. A prior public notice by way of advertisement containing brief information on the upcoming schemes and inviting applications from the public should be published in two national Dailies (One English and one Hindi) by the Authority.
- ii. The same advertisement shall be uploaded on the website of the Authority and Application Forms shall also be provided on the website of the Authority and shall be filed online
- iii. Public Notice shall contain brief information of the upcoming schemes like:
 - (a) Last date for submission of the application
 - (b) Date of opening of schemes
 - (c) Application Processing Fee
 - (d) Place of obtaining Application forms
 - (e) Website address of the Authority
 - (f) Link address to download the Application Forms
 - (g) Separate application form shall be required to be submitted for each Industrial plot
- iv. Chief Executive Officer reserves right to change the terms and conditions and if there is any change in the terms & conditions of the schemes, it shall be notified to the public, by issuing Corrigendum in the same manner as Public Notices are issued

11. NOTIFICATION OF PLOTS AVAILABLE FOR ALLOTMENT

List of plots available for allotment shall be displayed on the Notice Board and Website of Jharkhand Industrial Area Development Authority for 15 days. Number of plots may increase or decrease depending on the availability of land. Chief Executive Officer reserves the right to withdraw any plot from the allotment process after issuing speaking order and displaying such speaking order on the notice board and website of the authority.

12. APPLICATION FOR ALLOTMENT OF LAND

The applicant shall make application online for land allotment, including uploading of following information:-

- General Information.

- Applicant's Information
 - Details of payment towards scrutiny fee
 - Details of existing unit/s of the applicant either in Industrial Area or at any other place
 - Project details
 - Investment details
 - Financial arrangement
 - Land use pattern
 - Environment Management plan
 - Infrastructural requirement
 - Details of employment generation
- i. Along with the application, the intending applicant shall submit the following documents :-
- Details of raw materials to be used
 - Details of machineries to be used
 - Manufacturing process/ Process flow chart
 - Details of finished products
 - Proposed investment and financial planning of the project
 - Any other project related information
 - Details of payment for non-refundable scrutiny/processing fee Rs. 10000.00 for land requirement up to 1.0 acres, Rs. 25,000.00 for land requirement over 1.0 acres up to 3.0 acres and Rs. 50,000.00 for over 3.0 acres or as decided by the Authority, from time to time
 - Declaration cum undertaking in the Proforma prescribed by the Authority on Rs. 100.00 non judicial stamp paper with two witnesses. The declaration cum undertaking must bear photograph of declaring and both the witnesses
 - If the applicant is a company, furnish self-attested copy of company's profile along with the profile certificate of incorporation, article and memorandum of association and with the profiles of all its directors long with their photographs
 - If the applicant is a proprietary firm, furnish self-attested certificate of registration under Shops & Establishment Act along with its profile and the profile of the proprietor and his/her photograph.
 - If the applicant is a partnership firm, furnish self-attested copy of registered deed of partnership or certificate of registration of partnership firm issued by the Registrar of Firms under the Partnership Act, 1932 or Limited Liability Partnership Act, 2008, along with profile of firm and its partners and their photographs
- ii. Non submission of aforementioned documents/information shall result in non-entertainment of application by the Authority and process shall be initiated for allotment of concerned plot to another intending applicant.
- iii. Identity/ address proof and two photographs be submitted for :-
- Individual/ Proprietary firm – of Proprietor
 - Partnership firm – of all partners
 - Private Limited company – of all present promoters/ Directors
 - Public Limited company – of all present promoters/ Directors on Board.
 - Unlimited company – of all present promoters/ Directors on Board.
 - Hindu undivided Family (HUF) – of Karta
 - Government undertaking/ Corporation – of all present members on Board

- Promoter/Director of proposed private/Public limited company/ Unlimited Company or any other type of company as per Company's Act, 1956/ 2013 – of all proposed promoter/director

13. SUBMISSION OF SCRUTINY FEE/ PROCESSING FEE

Along with Application Form, applicant shall deposit a Non-refundable & Non-adjustable scrutiny fee/ Processing fee of Rs. 10,000.00 for land requirement up to 1.0 acres, Rs 25,000.00 for over 1.0 acres up to 3.0 acres and Rs. 50,000.00 for over 3.0 acres or as decided by the Authority, from time to time.

14. MODE OF DEPOSIT OF SCRUTINY FEE/ PROCESSING FEE

The scrutiny fee/processing fee as stated above shall be deposited through online payment.

15. SCRUTINY OF APPLICATIONS, ISSUANCE OF LAND ALLOTMENT ORDER AND DEPOSIT OF ALLOTMENT

- The application along with the requisite documents will be scrutinized by Project Clearance Committee or Agency engaged by Authority to assist PCC. Subsequent to evaluation and scrutiny and recommendation by LAC, Land Allotment Order shall be issued by the Chief Executive Officer of the region to the Applicant. The applicant has to pay full premium amount of the land by way of demand draft/online payment within 30 days, except in case of Clause 6(ii) (c), from the receipt of allotment order and submit a copy of deposit slip in the Authority
- Non submission of aforementioned documents/information shall result in non-entertainment of application by the Authority and process shall be initiated for allotment of concerned plot to another intending applicant
- In the event of more than one applicant seeking allotment of any plot for the project cleared by the Project Clearance Committee (PCC), allotment of land shall be made through transparent closed bidding online process wherein a bid submission date shall be notified at least 10 days in advance of the bid and prevailing allotment rate shall be kept as Floor Price of land. Chief Executive Officer of the region shall invite financial bids for PCC cleared projects from the applicants. Authority shall invite financial bids from those applicants along with earnest money deposit (EMD) equivalent to 10% of floor price of land or Rs. 1, 50,000.00 (Rupees one lakh fifty thousand) whichever is higher, which shall be deposited online and set off with the premium of land in case of selected bidder and the amount of earnest money shall be refunded to other bidders, EMD of second highest bidder shall be kept in reserve till receipt of full premium amount from the successful bidder. Subsequent to evaluation and recommendation by LAC, land allotment order shall be issued by the Chief Executive Officer of the region to the bidder whosoever offers highest/maximum land premium over & above reserve price (hereafter referred as "highest bidder"). The successful bidder shall have to pay full premium amount of the land (after adjusting EMD) by way of demand draft/online payment within 30 days of issuance of provisional allotment order.
- In the event of highest bidder being unable to deposit the entire amount of land premium within the aforesaid period of 30 days, the provisional allotment order shall stand withdrawn, earnest money shall be forfeited and allotment order shall be issued to the second highest bidder, who shall have to deposit the entire premium amount as in case of the first highest bidder.
- The allottee shall pay full premium of land within 30 (thirty) days from the date of receipt of letter of provisional allotment by way of demand draft or online payment in favor of the Authority. Any amount paid earlier by the allottee along with the application seeking allotment, except scrutiny fee, shall be set off with the amount of premium without interest. On payment of full premium the allottee shall be handed over physical possession of the land/shed within 10 (ten) days from the date of receipt of the same

16. The allotment of plot shall be made subject to availability of land and approval of project by the Project Clearance Committee.

17. TENURE OF LAND/ SHED ALLOTTED

Land/ Shed shall be allotted to the entrepreneur for setting up their industrial units on lease of 30 (thirty) years from the date of allotment on annual rent and other charges as decided by the Chief Executive Officer of the region with option of renewal. The renewal of the lease shall be considered by the Chief Executive Officer of the region on written request of the lessee three month prior to the expiry date of the lease period, and renewal will be automatic for units on payment of processing fee as mentioned in clause 13.

18. TIMELINES FOR SUBMISSION OF REQUISITE PLANS AND PENALTIES

- i. That the allottee shall submit a plan of the factory/sheds or/and building plan etc. along with necessary documents for approval of the Chief Executive Officer of the region as "Controlling Authority" under the Building bye laws of Jharkhand Industrial Area Development Authority/ Bihar (Jharkhand) Restrictions of Uses of Land Act or/and for approval of Chief Inspector of Factories/ Inspector of Factories within six months from the date of taking delivery of possession of land. The failure of the allottee in submitting factory/sheds plan or/and building plan for approval shall entail late action fee @ Rs.1.00 per sq. ft. per month. Chief Executive Officer of the region shall also respond to the allottee within 90 days of submission of plan with necessary approval. However if warranted, Authority may ask for clarification/modifications and submission of revised plan. In case no communication is received from the Authority within 90 days from the date of submission of plan/revised plan, it shall be constructed as deemed approval of plan and allottee shall start construction as per the plan/ revised plan submitted for approval.
- ii. The Chief Inspector of Factories/ Inspector of Factories shall dispose off application for the factory/shed and building plan within the prescribed time limit of 30 days from the date of receipt of plan from the Chief Executive Officer of the region.

19. TIMELINES FOR CONSTRUCTION OF FACTORY/ SHED

- i. The allottee shall start construction as per the approved plan within 6 (six) months, extendable to a maximum period of another six months, under extraordinary circumstances, with prior approval of the Chief Executive Officer of the region from the date of taking physical possession of the allotted plot. In the event of failure on the part of allottee to do so, late action charges shall be recovered @ 1.00 per sq. ft. per month from the last date of extended period.
- ii. Jharkhand Industrial Area Development Authority shall organize annual inspection of all allotted plots to ensure its utilization. Detailed information compiled by the inspection team will be placed on the Website. The case of enterprises not utilizing the plot or inadequately utilizing the plot for the purpose, for which the allotment was made, Chief Executive Officer of the region shall take action for cancellation of allotment order of land or penalty equal to land premium or forfeiture of amount deposited by the entrepreneur towards land premium and other charges. After allotment and taking over possession thereof if a fully functional industry is not set up by the allottee within the stipulated period (two years for micro and small enterprises and five years for other enterprises) the allotment of land shall be cancelled and possession taken by Jharkhand Industrial Area Development Authority.

20. DECLARATION OF INDUSTRIAL PREMISES AS FUNCTIONAL

- i. An industrial unit after submission of consent to operate, as applicable from Pollution Control Board (PCB) shall be declared functional, provided no dues to the Authority and submission of
 - (a) Certified copy of EM Part-II indicating date of production/ Trade Tax Exemption order/ Trade Tax Assessment Order/ STPI registration certificate along with documentary evidence of functioning.
 - (b) Lease deed as applicable has been executed and registered.
 - (c) In addition to the documents stated above, the following documents as applicable may also be required to be submitted by the allottee(s):
 - ESI registration certificate/ returns
 - PF registration certificate/ returns
 - Registration under Factories Act
 - Electricity consumption bills for industrial usage
 - (d) A team of officer(s) duly constituted for the purpose by Chief Executive Officer of the region may inspect the industrial Premises to determine the functioning.
- ii. That the industrial units should go into production or show substantial progress towards the implementation of the project within six months of the date of approval of plan. The entrepreneur will start construction work with the margin money shown in the project to be put in out of his own resources. Similarly on the installation of the machinery etc. the unit will start production with his share of the working capital.

In case the proposed factory is not set up within the period mentioned above or within such extended period as the Authority may allow after considering the circumstances, or does not make satisfactory progress as indicated above, its deposit towards the premium of land along with the construction, installation, Fixtures and equipment thereupon shall be liable to be forfeited by the Authority. In case necessary effective steps are not taken within the fixed/extended period to establish the industry, the Chief Executive Officer of the region shall in such conditions, cancel the allotment of allotted plot/Shed and also forfeit the amount deposited in this connection. Chief Executive Officer of the region shall, before cancelling the allotment allows one month time to the allottee to put up his case. The Allottee/applicant on being dissatisfied with the order of the Chief Executive Officer may file an appeal to the Managing Director of the Authority within one month from the order of the Chief Executive Officer of the region. The Managing Director shall, after due consideration dispose it of within two month from the date of receipt of the appeal. The second appeal shall lie with Secretary/Principle Secretary/ Additional Chief Secretary of the Department of Industries, Mines & Geology, Government of Jharkhand and such appeal should be made within one month of the order of the Managing Director. Secretary/ Principle Secretary/ Additional Chief Secretary of the Department of Industries, Mines & Geology shall dispose of such application within three month from the date of receipt of the appeal. The authority shall, after cancellation of allotment of the plot/ shed take possession of the said plot/ shed.

- iii. That in the event of any construction without prior approval of the Chief Executive Officer of the region or any departure from the approved plan of construction or any non-industrial use of the land or construction thereon, or non-utilization of any part of the land according to the approved plan or otherwise, the Chief Executive Officer of the region will have the option to change the cost

and rent of the land of the entire period of such use of land at the prevailing/current market rate as may be decided by the Chief Executive Officer of the region and also cancel the allotment and resume the land in consequence, thereof and no compensation will be payable to the allottee either for the unexpired period of the lease, or for the structure, building installation and immoveable assets in any shape form erected thereon.

21. EXECUTION OF LEASE DEED AND TRANSFER OF LEASEHOLD RIGHTS

- i. That allottee shall get the lease deed executed by Jharkhand Industrial Area Development Authority and registered within a period of three months from the date of taking possession of the land. That the status of the unit over the allotted land shall be that of a licensee until execution and registration of the lease deed.
- ii. The Chief Executive Officer of the region may consider the request of an Entrepreneur/lessee for whose unit EM-II/PMT/SSI PMT/DOP has been issued either running or sick or closed, for the transfer of leasehold rights of the schedule property in favor of a new Entrepreneur as identified by the lessee during the currency of lease, subject to the following conditions :-
 - (a) The lessee is not holding any dues to authority and shall submit NOC from financial institutions for which Authority has accorded permission/no objection for mortgage or the lessee has pledged lease deed with any financial institution.
 - (b) The new entrepreneur to whom the lessee wants to transfer the leasehold right must have a viable/feasible/implementable project, duly approved by PCC to be executed on the available plot of land.
 - (c) If at any stage, stake holding/ownership interest of proprietor/ promoter/ partners in the firm at the time of plot/land allotment as the case may be, goes down below 51% in the firm, the same shall be treated as transfer of allotted plot for the purposes of this Regulation and processing fee and land premium as mentioned in sub-clause (f) as prescribed shall be charged.
 - (d) No change in Shareholding (CIS) charges will be applicable for transfer of shareholding (up to 100%) from husband to wife, parent to children, grandfather, grandmother, grandchildren and/or vice versa. However, processing fee of Rs. 10,000.00 would be applicable along with application for the same.
 - (e) Any change in the director who is not the shareholder of the concerned industrial unit has to be informed to the Authority in writing by the allottee/lessee within 30 days of such change, either induction or deletion of director.
 - (f) The transferee must pay 15% in case of MSME or 25% in case of others of the premium of land prevailing in Jharkhand Industrial Area Development Authority at the time of seeking transfer of lease hold right. The payment at aforesaid rate shall be condition precedent for transfer of lease hold right.
 - (g) In all cases of transfer, ownership change, a processing fee of Rs. 10,000.00 for plot area up to 1.00 acre and additional Rs. 2000.00 per acre for land in excess of 1.00 acre shall be charged.
 - (h) The new entrepreneur or new allottee shall give undertaking to pay all dues with interest of previous entrepreneur or old allottee to statutory, legal or financial liability of government or financial institutions on a non-judicial stamp paper of Rs. 100.00 affixing self-attested photograph.
- iii. If the original lessee, to whom the land was allotted for a particular project makes a new/ company / entity for a new project besides the existing company and transfers the whole or part of the allotted land to such newly formed company, this shall be treated as transfer of lease hold rights and shall be charged full land premium as per relevant clause of this regulation even if the

share of the original lessee in this new company/entity does not go down below the 51% of the total share.

- iv. Under no circumstances any entrepreneur shall be entitled to transfer the lease hold right in respect of the plot allotted to him/it and hand over physical possession of the said plot to any other entrepreneur without prior written permission of the Chief Executive Officer of the region. Violation of this shall entail cancellation of allotment order, termination of lease deed, if executed and forfeiture of land premium deposited by observing the principles of natural justice.
- v. Vacant plot or units for which EM-II/PMT/SSI PMT/DOP has not been issued, shall not be considered for transfer. The allottee shall have to surrender the allotted plot to Authority under clause 25 of this regulation or Authority shall evict the allottee after following due process under this regulation.

22. SURRENDER OF ALLOTTED PLOT

- i. Any allottee shall be at liberty to surrender the allotted plot to the Authority at any point of time by giving prior written application to the Chief Executive Officer of the region at least three months in advance and the Authority shall accept the surrender subject to the condition that the surrender is not in default in paying dues of the Authority and he/she/it produces a no dues certificate from the concerned financial institution, concerned statutory authorities and that he is not in default in payment of statutory due to its employees along with a declaration cum undertaking cum indemnity bond on a non-judicial stamp paper of Rs. 100.00 along with self-attested photograph of all promoting stake holders, Authority shall refund/release partial payment of allotment price for the land (full or partial) surrendered as per following terms

- ❖ 75% of allotment price, in case of surrender within one year from date of allotment of land.
- ❖ 65% of allotment price, in case of surrender within two years from date of allotment of land.
- ❖ 55% of allotment price, in case of surrender within three years from date of allotment of land.

The aforementioned payment by Authority shall be released only after peaceful surrender of full or partial land (unutilized land) by the allottee/lessee. However, no request for surrender shall be accepted by the Authority beyond three years of allotment of land. In such cases Authority shall cancel the allotment order, terminate the lease deed and forfeit the lease premium and take possession by observing the principles of natural justice.

- ii. The application for surrender of allotted plot shall be disposed with 60 days from the date of submission of application to the Authority.
- iii. No entrepreneur shall be entitled to sublease or hand over physical possession of the industrial plot allotted to him by the Authority, either upon cancellation or upon surrender, to any person or any organization except to the Authority.
- iv. In the event of any entrepreneur handing over physical possession of industrial plot allotted to it/him, to any other person or entity without having being authorized by the Authority, the Authority shall treat possession of that person or entity as unauthorized and take recourse for recovery of possession including invoking the provisions of Public Premises (Eviction and Unauthorized Occupants) Act, 1971 for recovery of possession, Original allottee shall be liable to pay irregularity charges @Rs. 5.00 (Rupees five) per sq. ft. per month to Jharkhand Industrial Area Development Authority besides initiation of cancellation proceeding.
- v. In the event of the allottee either not utilizing or under-utilizing the land for the purpose for which it was allotted, shall make himself/itself liable for cancellation of allotment in case of not utilizing

the land for the purpose for which it was allotted. In the event of under-utilizing the land, action shall be initiated for cancellation of under/unutilized portion of land in accordance with the principles of natural justice. In reply to the show cause, if the allottee gives undertaking with time frame to utilize the unutilized portion of land, then in the event of violation of undertaking, the allottee shall be liable for non-action charges @ Rs. 10=00 per sq. ft. per month. Even after imposition of non-action charges, if the allottee fails to abide by the undertaking, the concerned portion of the plot shall be cancelled by observing the principles of natural justice and action shall be taken for recovery of non-action charges under Public Demand Recovery Act and Rules framed there under.

- vi. If an allottee continues to be in possession of the cancelled plot and carry out any activity either alone or with cooperation of somebody else, possession by such allottee shall be treated unauthorized for which he/it shall be liable for penalty @ Rs. 15=00 per sq. ft. per month until he/it hands over vacant possession of the allotted plot to the Authority or the Authority recovers possession by invoking the provisions of Public Premises (Eviction of Unauthorized Occupants) Act, 1971.
- vii. No allottee shall be permitted to use the allotted plot for any other purpose including residential or any other commercial activities, than for which the plot has been allotted. Violation of this condition shall be treated as violation of this regulation; conditions of allotment and lease deed and entail cancellation of plot.

23. MORTGAGE RIGHTS

- i. Mortgage of leasehold right on land in favor of nationalized and scheduled Banks or any other financial institution in any sector for financing the project on the allotted plot shall be permissible with prior written consent of the Chief Executive Officer of the region only for the project duly cleared by PCC on the allotted plot and where time limit for bringing the unit to production exists.
- ii. The application for consent of the Chief Executive Officer of the region for mortgage of leasehold in favor of nationalized or scheduled banks shall be disposed within 15 days from the date of submission of application.
- iii. In case of mortgage, the Authority shall have the first charge on the assets/property (built space/shed) towards transfer charges, extension charges, lease rent interest and any other dues, taxes, charges etc. payable to Jharkhand Industrial Area Development Authority from time to time.
- iv. The lessee/allottee shall submit to Jharkhand Industrial Area Development Authority application for grant of consent to mortgage along with consent/commitment letter from the financial institution to the effect that financial institution shall make the finance available to the allottee.
- v. The Mortgage lease hold right in a plot/shed auctioned by the Bank/financial institution/statutory authorities may also be considered for regularization by Chief Executive Officer of the region in favor of the successful bidder identified by Bank/financial institution for substitution on payment of transfer fee 15% in case of MSME or 25% in case of others of lease premium of land from the successful bidder at the rate prevalent in Jharkhand Industrial Area Development Authority and other charges prevalent at the time of consideration along with all the dues of Jharkhand Industrial Area Development Authority.

24. MERGE/ DEMERGE / AMALGAMATE ALLOTTED PLOT(S)

- i. The lessee shall not take any action to Merge/demerge/amalgamate or to be acquired by any entity without the prior permission in writing of Chief Executive Officer of the region. On application of the lessee, Jharkhand Industrial Area Development Authority after considering the facts of each case and after realizing 15% in case of MSME or 25% in case of others of the premium of the land prevailing in Jharkhand Industrial Area Development Authority at the time of consideration may grant such permission for Merge/demerge/amalgamate or acquisition provided that the lessee has not violated the condition of land allotment order/lease deed/bond. In case of violation of condition of land allotment order/lease deed/bond the full land cost shall be charged at the rate prevailing at the time of consideration.

Irrespective of any condition put by or order passed by any Court or Tribunal, the merger/demerge/amalgamate or acquisition will be allowed subject to the payment of land premium provided in this clause.

- ii. The allotment of land for the purposes, other than setting up industry shall be decided by the Authority to fill up the infrastructure gap within the command area of Jharkhand Industrial Area Development Authority.

25. CANCELLATION OF ALLOTTED PLOT

- i. Any violation of the conditions of land allotment order, lease deed, Indemnity Bond, or the provisions of Industrial Policy as applicable on the relevant date and/or the provisions of Bihar Industrial Area Development Authority Act, 1974 (Bihar Act 16 of 1974 and Bihar Act 27 of 1992) as adopted by the Government of Jharkhand vide Notification No. 339 dated 02.03.2001 issued by the Secretary Department of Science Technology, Information Technology and Industries as Jharkhand Industrial Area Development Authority Act, 2001 shall entitle the Chief Executive Officer of the region to cancel the allotment order, terminate the lease deed and forfeit the lease premium and take possession by observing the principles of natural justice and pass orders to the effect.
- ii. The following is the illustrative list of acts or omissions on the part of the allottee constituting violation of terms of allotment, Industrial Policy and lease deed warranting action initiation for cancellation proceeding :-
 - (a) None adhering to the schedule in the matter of setting up of industry for which the plot is allotted
 - (b) Not setting up the industry for which the plot is allotted
 - (c) Unauthorized surrender in favor of another entity
 - (d) Unauthorized change of constitution of the allotted entity
 - (e) Unauthorized change of project
 - (f) Unauthorized mortgage to any financial institution or otherwise
 - (g) Making false declaration/giving false undertaking required to be furnished as a condition for certain purpose wherever indicated in this regulation
 - (h) Any other circumstances which the Managing Director of the Authority considers against the interest of objectives of the Act, Rules made there under this regulations
 - (i) Non-payment of any dues of the Authority including late action charges/ non action charges shall constitute public demand recoverable under the provisions of Jharkhand Public Demand Recovery Act

26. CHANGE IN CONSTITUTION OF UNIT

- i. When an individual person (Proprietorship Firm)/Partnership Firm/Private Ltd. Co./Public Ltd Co., having a plot/ unit located on a plot allotted by the concerned Authority, wants to change its constitution in any of the following manners :-
 - (a) Proprietorship Firm to Partnership Firm
 - (b) Partnership Firm to Proprietorship Firm
 - (c) Proprietorship Firm/Partnership Firm to Private Ltd. Co./Public Ltd. Co./Limited Liability Partnership Entity (LLPE)
 - (d) Private Ltd. Co./Public Ltd. Co./Limited Liability Partnership Entity (LLPE) to partnership Firm/Proprietorship Firm.
 - (e) Private Ltd.Co. to Public Ltd. Co. or vice-versa.
 - (f) Limited Liability Partnership Entity (LLPE) to Private Ltd. Co./Public Ltd. Co. or vice-versa.

The allottee(s) lessee(s) /transferee (s) shall move an application for change in Constitution, accompanied by the following documents duly attested by the Chartered Accountant of the respective entity seeking change along with bank demand draft in favor of Jharkhand Industrial Area Development Authority towards fee, as provided in this regulation.

I. For change In Constitution from Proprietorship Firm to Partnership Firm

- (a) Certified copy of the Partnership Deed
- (b) Form B regarding registration of firm or any other document to this effect issued by the Registrar.
- (c) Form "A" showing statement regarding name of Partners, or any other document to this effect issued by the Registrar of firms of respective State.
- (d) Notarized affidavit stating the relationship of the incoming partners with the allottee/transferee.

II. For Change In Constitution from Partnership Firm to Proprietorship Firm

- (a) Certified copy of the Dissolution Deed of Partnership
- (b) Notarized affidavit stating the relationship of the incoming partners with the allottee/transferee

III. For Change In Constitution from Proprietorship Firm/ Partnership Firm to Private Ltd. Co./ Public Ltd. Co./ Limited Liability Partnership Entity (LLPE)

- (a) Certified copy of the Memorandum and the Article of Association of the company/LLPE including LLPE Agreement
- (b) Certified copy of Certificate of Incorporation issued by the Registrar of Companies of the respective State, preferably of the State of Jharkhand
- (c) Certified list of Board of Directors with their details/particulars like father's name, age, permanent address, local addresses, academic/ technical qualification etc. and certified list of shareholders/ partners in case of LLPE showing number of shares and their value along with their addresses.
- (d) Duly certified Resolution of Board of Directors/partners in case of LLPE regarding taking over the industrial property by the Company/LLPE from the Proprietorship Firm/ Partnership Firm. Also a copy of resolution in favor of the person authorized by the Board of Directors of the Company/partner of LLPE to correspond with the Authority. Any change in address of any of the Directors/ partners in case of LLPE must be brought to the notice of Jharkhand Industrial Area Development Authority in writing by registered post within 15 days of such change, failing which, consequences shall follow.

- (e) Notarized affidavit duly sworn and attested regarding the relationship of the shareholders with the allottee(s)
- (f) In case of an entity registered with Registrar of Companies either under Companies Act, 2013 or Limited Liability Partnership Act, 2008 a certified copy of the Certificate of Commencement of Business issued by the Registrar of Companies of the respective State shall be submitted to Jharkhand Industrial Area Development Authority.

IV. For change In Constitution from Private Ltd. Co./ Public Ltd. Co./ Limited Liability Partnership Entity (LLPE) to Partnership Firm/ Proprietorship Firm

- (a) Certified copy of the Partnership Deed
- (b) Form B regarding registration of firm or any other document to this effect issued by the Registrar
- (c) Form "A" showing statement regarding name of Partners, or any other document to this effect issued by the Registrar by the Registrar of firms respective State.
- (d) Notarized affidavit stating the relationship of the incoming partners with the allottee/transferee
- (e) Duly certified Resolution of Board of Directors of the concerned company/partners of LLP regarding change from Pvt. Ltd. to partnership firm/Proprietorship Firm handing over the industrial property by the Company to the proprietor of the Proprietorship Firm/ to the Partners of the partnership firm. Also the resolution in favor of the person authorized by the Board of Directors of the concerned company/ partners of LLP to hand over the possession.
- (f) Proof of dissolution of private limited company/ public limited company/LLPE duly signed by the authorized persons.

V. For Change in Constitution from Private Ltd. Co. to Public Ltd. Co. or vice-versa

- (a) Certified copies of the Memorandum and the Articles of Association of both the Companies.
- (b) Certified copies of Certificate of Incorporation of both the Companies issued by the Registrar of Companies of the respective States preferably by the State of Jharkhand.
- (c) Certified lists of Board of Directors and certified list of shareholders of both the Companies showing number of shares and their value along with their addresses and other details as mentioned at sub Clause (c) of clause 29 of this Regulation.
- (d) Duly certified Resolutions of the Board of Directors of both the Companies regarding handing over/ taking over the industrial property by the Company and regarding the person authorized by the respective Board of Directors of the Company to correspond with the concerned Authority.
- (e) Notarized affidavit duly sworn and attested regarding the relationship of the shareholders with the allottee(s) /lessee(s) / transferee(s). (Only in case exemption from payment of CIS charges is sought.)
- (f) In case of a Public Ltd. Co. Certified copy of the Certificate of Commencement of Business issued by the Registrar of Companies of the respective State is also to be submitted.
- (g) Proof of dissolution of respective company duly signed by the competent persons.
- (h) Any other documents required by the Registrar of Companies of the respective State

VI. For Change in Constitution from Limited Liability Partnership Entity (LLPE) to Private Company/ unlisted Public Company or vice-versa.

- (a) Certified copy of the LJP Agreement duly signed by its partners along with list of designated partners.
- (b) Memorandum and the Article of Association of the respective company.
- (c) Certificate of Incorporation of the respective company / LLPE entity.

- (d) Certified list of Board of Directors with their details/particulars like father's name, age, permanent address, local addressee, academic/ technical qualification etc. and certified list of shareholders/ partners in case of LLPE showing number of shares and their value along with their addresses.
 - (e) Certified list of partners of LLPE with their details/ Particulars like father's name, age, permanent address, local addressee, academic/ technical qualification etc. partners in case of LLPE showing number of shares and their value along with their addresses and photographs
 - (f) Duly certified Resolution of Board of Directors of the respective company/LLPE regarding handing/ taking over the industrial property by the Company/ LLPE Also a copy of resolution in favor of the person authorized by the Board of Directors of the Company/partner of LLPE to correspond with Jharkhand Industrial Area Development Authority. Any change in address of any of the Directors/partners in case of LLPE must be brought to the notice of Jharkhand Industrial Area Development Authority in writing by registered post within 15 days of such change, failing which, appropriate action shall be taken.
 - (g) Notarized affidavit duly sworn and attested regarding the relationship of the shareholders/ directors with the allottee(s)/transferee.
 - (h) Proof of dissolution of respective company duly signed by the competent persons.
 - (i) Any other documents considered necessary to be submitted to Jharkhand Industrial Area Development Authority.
- ii. There shall be no change in the conditions of lease rent and other charges payable to Jharkhand Industrial Area Development Authority as a result of Change in Constitution
 - iii. After Change in Constitution, a Deed of Declaration to the effect shall be executed by the authorized person of the parties/ entities concerned and submitted to Jharkhand Industrial Area Development Authority within 30 days from the date of such change allowed by Jharkhand Industrial Area Development Authority. In exceptional circumstances Jharkhand Industrial Area Development Authority may consider execution of fresh lease deed in favor of the new firm/ company at the expense of the changed entity.

27. CHANGE IN SHAREHOLDING (CS)

- i. Change in shareholding means change of shares (up to 100%) from any existing shareholder(s) to any other shareholder(s) within the same Firm/ Company/ Entity.
- ii. The cases where cancellation has not been effected are eligible for change of shareholding. The application for change of shareholding may be submitted by the existing stake holders of the entity along with following requisites:-
 - (a) Processing fee of Rs. 10,000 for land area up to 1.00 acre and an additional Rs. 2000 per acre for land in excess of one acre shall be applicable or as decided by the Authority, from time to time.
 - (b) List of Directors/ Shareholders/ partners/partners of LLPE along with shareholding duly certified by the Chartered Accountant.
 - (c) Details of changes shareholding after induction of respective shareholders duly certified by Registrar of Firms/ company along with certified copy of the Reconstituted Deed of Partnership/ LLPE Agreement.
 - (d) Notarized affidavit stating the relationship of persons seeking change in shareholdings.

- iii. If the shareholding of any of the blood relations as defined in clause 21(d) of the original allottee from amongst existing immediate past and immediate future generation becomes less than 50%, 15% in case of MSME or 25% in case of others of land premium at the existing rate shall be payable to Jharkhand Industrial Area Development Authority by the shareholders seeking change in the shareholding. Failure of payment of land premium shall entail cancellation of allotment.

28. MISCELLANEOUS PROVISIONS

- i. Jharkhand Industrial Area Development Authority reserves its right to change/ modify / work out from time to time and notify by displaying the same on its notice board, a detailed transparent and objective policy of transfer, allotment of plots including the provisions of lease deed and revision in land rent, development charges/ land levy/ maintenance charges, street light charges etc. from time to time, subject to ratification by the Department of Industries, Government of Jharkhand.
- ii. If Jharkhand Industrial Area Development Authority at any point of time intends to earmark certain area for the development of certain specific economic activities including IT/ITES/ EMC, the procedure and principle for allotment of such purposes shall be decided by the Authority.
- iii. The allottee shall obtain water, drainage and power connection by making application in a prescribed form to the respective competent authority

29. PENALTY FOR VIOLATION

- i. If any provision/ procedure is considered either contrary to or in variance of the provisions of Chapter VI of this regulation, the same shall stand substituted by the relevant provisions of this Chapter
- ii. Any person who violates any order of the authority in respect of removal of any structure of Encroachment or uses any land or building in violation of any provisions of this regulation shall be punishable with fine which may extend up to Rs. 10,000.00 or simple imprisonment for a term which may extend to six months or both and in case of continuing offence with further which may extend to Rs. 100.00 for every day after conviction.

CHAPTER – VII

30. AUDIT

- i. The Authority shall get its accounts audited by one or more auditors appointed by the State Government within 90 days of the closure of financial year. The balance sheet and profit and loss account prepared by the Authority shall be subject to audit/ verification by the auditors. The Authority shall comply with the objections raised and observations made by the auditors within 30 days of the receipt of audit report and compliance report shall be sent to the State Government.
- ii. Upon demand of the auditor the Authority shall furnish.
 - (a) Such information and explanations as may be considered necessary and
 - (b) Each of the records, documents, books, accounts and vouchers as are in the opinion of the auditor necessary to enable him/ them to make the examination and report.
- iii. The auditors' report shall state
 - (a) Whether he has obtained all information and explanations which, to the best of his knowledge and belief, were necessary for the purposes of his conducting audit.

- (b) Whether in his opinion proper books of accounts, as required by law have been kept by the Authority so far as appears from the examination of those books and proper returns adequate for the purposes of his audit.
- (c) Whether the Authority balance sheet and profit and loss account dealt with in the report are in agreement with the books of accounts and report and returns made available to the auditors.

CHAPTER – VIII

31. ESTABLISHMENT

- i. Subject to the appropriate budgetary provisions and prior approval of the State Government as required under the Rules, the Authority shall create and make appointments against such posts/positions which is considered necessary for efficient functioning of the Authority.
- ii. The Managing Director shall be empowered to take services of any professional on the conditions determined by him, for efficient functioning of the Authority.
- iii. The Managing Director of the Authority shall exercise all disciplinary control over the employees of the Authority. However, in case of an employee whose services have been obtained on lien or on deputation from the State Government or the Central Government as the case may be, is subjected to disciplinary action and information to the effect shall be transmitted to the concerned government.

CHAPTER – IX

32. Civil Works

- i. Any engineering or other works carried out in the Authority shall be guided, as far as practicable, by the provisions contained in PWD Code as applicable to the State Government.

Order: It is orders that a copy of the resolution should be sent for publication in the special edition of the Jharkhand Gazette, reputed Journals and Newspapers and be circulated among all the Department/ Departmental heads and Subordinate Officers of the Government.

By the order of the Governor of Jharkhand,

U.P. Singh,
Additional Chief Secretary,
Department of Industries,
Mines & Geology
Government of Jharkhand
